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October 6, 2003 T.R.A. DUCKET FROM 1975 1979 1979

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Honorable Pat Miller, Director Tennessee Regulatory Authority 460 James Robertson Parkway Nashville, TN 37238

Re:

Implementation of the Federal Communications Commission's

Triennial Review Order (Nine-Month Proceeding)

Docket No. 03-00491

## Dear Director Miller:

In response to the Notice of Status Conference and Filing, dated October 1, 2003, issued in the above-styled docket, United Telephone Southeast, Inc., Sprint PCS and Sprint Communications Company LP ("Sprint") offer the following comments with respect to defining the relevant geographic market. Although Sprint concurred in the BellSouth and CompSouth proposal to file recommendations regarding the appropriate market definition with the filing of testimony, Sprint and the other parties recognized that defining the market is a key element to the application of the impairment analysis. As such, we agree that defining the relevant market (at least as a tentative market definition) prior to the impairment analysis could lead to a more efficient proceeding by lending more structure to the testimony and hearing. However, we also believe that such a determination, even as a tentative determination, would benefit from the collection of data and resolution of key issues. For example, important issues when defining the market include a decision concerning whether a market can cross state boundaries. Another key issue that must be resolved is how much of a given market a switch must serve before it is counted as meeting the self-provisioned trigger and how those customers are distributed for purposes of the business case analysis. If, for example, a market is initially defined as an MSA and a CLEC using a self-provisioned switch is only serving two blocks in that MSA, and then to serve only a handful of mass market customers in those blocks, is that switch considered to be providing service to the mass market customers in the entire market? The FCC recognized that the state commissions should consider the extent to which a CLEC may be using a self-provisioned switch to serve only certain geographic areas or only a handful of mass market customers as it undertakes its market determination and impairment analysis decisions.

These issues aside, Sprint suggests that after the parties have an opportunity to comment and discuss the market definition issues, the TRA could issue a tentative market definition for use by all the parties so that there is a consistent application of the tests across the testimony and analysis. Sprint suggests using a recognized unit of geography, such as MSA or local calling area, when suggesting this tentative market definition. Using a readily accepted geographic unit will allow a common understanding up-front of the area. Parties should be free to support other market definitions in their testimony in addition to analyzing the tentatively defined market area. At this stage of the discussion, Sprint does not have a precise market definition to suggest and we look forward to discussion of these issues and to hearing the views of the various parties.

Please contact the undersigned if you have any questions.

Sincerely,

James B. Wright by Sals

James B. Wright

permission

cc:

Laura Sykora Kaye Odum Parties of Record

## **CERTIFICATE OF SERVICE**

I hereby certify that on October 3, 2003, a copy of the foregoing document was served on the parties of record via United States mail, postage paid and properly addressed to the following:

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